



*State Fiscal Note for Bill
 Number: 2022-H-7141*

Date of State Budget Office Approval: Friday, February 18, 2022

Date Requested: Thursday, January 27, 2022

Date Due: Sunday, February 6, 2022

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2022	N/A	FY 2022	0
FY 2023	N/A	FY 2023	-\$466,684
FY 2024	N/A	FY 2024	-\$466,684

Explanation by State Budget Office: This act would repeal Section 12-18.1-3 of the General Laws in Chapter 12-18.1 which assesses court costs on defendants charged with a felony, misdemeanor, or petty misdemeanor, and who plead nolo contendere or guilty or who are found guilty of the commission of those crimes.

Comments on Sources of Funds: The funds generated by these court fees are general revenue and go into the general fund.

Summary of Facts and Assumptions: The act would take effect upon passage. The Budget Office assumes that the impact of this bill would take effect in FY 2023 on July 1, 2022.

The Budget Office analyzed the collections from court costs over the last four fiscal years. The court collections are as follows: FY 2018: \$571,666, FY 2019: \$540,926, FY 2020: \$473,160, and FY 2021: \$473,038. In FY 2022 collections through January 31, 2022 total \$272,232. Assuming the court collects fees at the same rate for the rest of 2022, the Budget Office projects total collections for FY 2022 of \$466,684.

The specific court costs which would no longer be assessed as a result of this bill are one of several categories of monetary assessments imposed on defendants. Other charges imposed on defendants include, but may not be limited to, court-ordered fines, court-ordered restitution to the victims of crimes, and assessments paid to the special idemnity account for criminal injuries compensation established pursuant to RIGL § 12-25-28 which are classified as restricted receipts (a.k.a. "Crime Victims Compensation Fund"). It is possible that waiving certain fees could increase the ability of some defendants to pay all other assessed fees, but it is not possible to accurately calculate an estimate. According to the General Laws and the Superior Court Rules of Practice, there is no stated prioritization of certain types of fees, aside from prioritizing restitution payments to victims above fees. If defendants do not pay the full amount in a timely fashion, defendants are placed on a Fines, Costs & Restitution Calendar of the Superior Court, in which the presiding judge has discretion in determining payment plans for defendants. For the purposes of this fiscal note, therefore, the Budget Office assumes an indeterminate effect on other court fees but acknowledges there is a probable fiscal impact. It is also assumed that when a defendant cannot afford to pay the full amount of restitution and is placed on a payment plan that due to the prioritization of restitution the judge may waive all the court costs and fees anyway rather than delay the full repayment of restitution.

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There is considerable uncertainty in projecting court cost revenue in FY 2023 and FY 2024. From FY 2018 through FY 2022, the growth rate in collections has ranged from -0.03% to -13% with an average annual decline of 4.8%. The 13% drop between FY 2019 to FY 2020 is assumed to be due to COVID court closures. However, aside from COVID-related impacts, there does appear to be a long-term trend in declining collections which may be driven by legislative changes, administrative changes, and general trends.

Given this uncertainty, this fiscal note assumes that the revenue impact will remain fixed at the FY 2022 level in both FY 2023 and FY 2024. As the pandemic eases and courts reopen, it is possible that collections could increase. But it is also possible that the pre-pandemic trend of decreasing collections could continue.

*Summary of Fiscal
Impact:*

Eliminating the court fees is estimated to reduce revenues by an estimated \$466,684 in FY 2023 and \$466,684 in FY 2024.

Budget Office Signature:

JMCA

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Fiscal Advisor Signature:

